www.sglawyers.com

SadisGoldberg LLP

By ECF

November 13, 2014

The Honorable Joseph F. Bianco
United States District Judge
Eastern District of New York
United States Courthouse
100 Federal Plaza
Central Islip, New York 11722

Re: SEC v. The NIR Group, et al., 11-CV-4723 (JFB)(GRB)

Dear Judge Bianco:

I write on behalf of defendant Corey Ribotsky in response to the status report of today's date submitted by Plaintiff Securities Exchange Commission ("SEC").

The SEC's status report is inaccurate, misleading and prejudicial to my client. The status report states that "Defendant Ribotsky has failed to pay any funds to satisfy the $14,500,000 that he was ordered to pay pursuant to the judgment entered against him by this Court". This inaccurate statement leaves the reader with the impression that Mr. Ribotsky is violating a court order, which he is not.

Contrary to the SEC's inaccurate characterization of the Consent Order, the Consent Order states in pertinent part: "It is hereby further ordered, adjudged, and decreed that Defendant ***is liable*** for disgorgement of $12,500,000...prejudgment interest thereon in the amount of $1,000,000, and a civil penalty in the amount of $1,000,000...". Mr. Ribotsky was never "ordered" to pay any of the aforementioned amount and that is why the SEC has never moved for contempt of court. Mr. Ribotsky is no different than any other judgment debtor that does not have the funds to pay a judgment and is not in violation of a court order.

Prior to entering into the Consent Order, Mr. Ribotsky made a complete disclosure of his financial situation and his inability to pay any amount that was even in the ball park of what the SEC was looking for to settle the case. Consequently, when the SEC agreed to take a judgment in this matter and agreed to eliminate from the consent order any language "ordering" Mr. Ribotsky to pay the amounts set forth in the Consent Order (language that they normally include), they were well aware that there was no meaningful amount of money to collect from Mr. Ribotsky. It is also important to note that the SEC required Mr. Ribotsky to forfeit his interests in the funds, which constituted the largest portion of his net worth.

{00267778.DOC; 1}

I trust that this makes clear that Mr. Ribotsky has not violated any court order and that it is no surprise to the SEC that they have not been able to collect on the Judgment.

Respectfully,

Douglas R. Hirsch

cc: Via Email: Kenneth Byrne
Counsel For Defendant Daryl Dworkin